

approved

senior tax credit task force

Minutes of the May 31, 2007, meeting

The Senior Tax Credit Task Force met on May 31, 2007, in the Banneker Room, Howard Building, 3430 Courthouse Dr., Ellicott City, MD, at 2 pm.

The following members of the task force were in attendance: Ted Meyerson, Janice Bloodworth, Sharon Greisz, Frank Chase, Don Dunn, Colin Burke, Sue Buswell, Sara Hamer, Joel Yesley, Larry Lewis, and Ron Weinstein.

Shelley Garten, Peggy Rightnour, and Pam Bilal from the Office on Aging also attended as did Kenneth Mackay from Academy Mortgage, LLC (614 Old Edmondson Ave, Baltimore 21228, 301-353-8493, kmackay@revmortgages.com).

Others from staff in attendance were Jeff Meyers, Leo Oken, and Diana Coll.

The meeting was open to the public and press.

The chairman called the meeting to order at 2:03 p.m. Ms. Greisz gave the task force an update: 327 applications mailed, 105 received, 100 processed, 3 denied; 70,000 postcards to be mailed next week (all owner-occupied residential properties in the County); generally things are going fairly smoothly. Received applications are scanned into a secured database then shredded.

The Office on Aging reports that it has taken 41 calls, had 15 walk-ins, and made 5 home visits about the application form; 13 people have been helped to fill out the form, which takes 60 to 90 minutes; there is some confusion because there are multiple property tax credit programs.

Members of the task force asked questions and made suggestions about the application form and instructions. Staff will prepare a separate compilation document, based on a document from Mr. Burke, that Finance will use to tweak the form and instructions. As responses become available, they will be added to the document.

Mr. Mackay gave a presentation and answered questions on reverse mortgages, which first came on the market in 1989. Reverse mortgages are an option for homeowners who are at least 62 years old. About 90% of reverse mortgages are done through an FHA program that insures them and ensures that they are "non-recourse loans". Under the FHA program, borrowers must pay off existing mortgages, must pay closing costs ranging from 4% to 7%, and pay an annual .5% fee. FHA allows borrowers to borrow a percentage of the value of the home up to the "county limit", which is about \$363,000 this year. Private lenders occupy the other 10% of the market and have a variety of programs. Loan recipients can choose to take a lump sum, a monthly payment, or a line of credit.

Under FHA regulations, applicants for reverse mortgages must participate in a counseling session with an FHA-certified counselor before closing on the loan. The Office on Aging has recently received this certification and will shortly begin offering this counseling. In addition to helping people understand the reverse mortgage product, Office on Aging counselors will seek to ensure that this is the best option for the client and that the client applies for other available benefits.

More information is available from <http://www.rmaarp.com/> and <http://www.benefitscheckup.org/>.

It is likely that the topic for the next task force meeting will be county housing programs, but a

date has not yet been set. The chairman announced that, in the early fall, he wants State Senator Kasemeyer to brief the task force on the State's budget woes.

The meeting adjourned at 4:03 p.m.

Respectfully submitted,

Jeff Meyers